

DEPARTMENT OF SOCIAL SERVICES

344 P Street, Sacramento, CA 95814



September 27, 1995

ALL-COUNTY INFORMATION NOTICE NO. I-44-95

TO: ALL COUNTY WELFARE DIRECTORS
ALL GAIN COORDINATORS

SUBJECT: PLANNING FOR IMPLEMENTATION OF ASSEMBLY BILL (AB) 1371, CHAPTER 306,
STATUTES OF 1995

REASON FOR THIS TRANSMITTAL

- ☒ State Law Change
- ☐ Federal Law or Regulation Change
- ☐ Court Order
- ☐ Clarification Requested by One or More Counties
- ☐ Initiated by CDSS

This letter is to provide county welfare departments (CWDs) with preliminary information on planning for implementation of the Greater Avenues for Independence (GAIN) reform required by AB 1371. Complete implementation instructions, forms, and emergency regulations will be included in an implementation All-County Letter (ACL), which is anticipated to be sent in mid-November.

Background

The California Department of Social Services (CDSS) sponsored AB 1371 to enact program reforms recommended by the Governor's GAIN Advisory Council (GAC). The bill requires job club/job search as the first activity for most participants, provides for mandatory concurrent enrollment in program activities where feasible, establishes a more flexible program flow to allow earlier access to training and work experience activities, and strengthens exemption, deferral, and conciliation requirements. Additionally, the bill allows counties greater flexibility in prioritizing Aid to Families with Dependent Children (AFDC) applicants/recipients for services, requires counties to set and meet performance objectives, and mandates enhanced coordination between county welfare departments (CWDs) and education providers regarding the planning and delivery of educational and training services. These reforms are expected to result in AFDC grant savings as more recipients obtain employment as a result of their participation in GAIN.

Provisions of AB 1371 that do not require a federal waiver will be implemented by January 1, 1996. Those provisions that require waivers will be implemented, contingent upon federal approval, around March 1996 (see attached chart).

The following are areas that counties should begin examining in preparation for the implementation of the reforms resulting from AB 1371:

GAIN Service Priorities

AB 1371 provides counties greater flexibility in determining client service priority order. Specifically, if the program resources in a county are not sufficient to serve all GAIN registrants, AB 1371 requires the county to adopt a

method to determine the order in which registrants are given priority for participation. The service priority order is to be included in the county's GAIN plan and is subject to Departmental approval. AB 1371 mandates the following service priority standards:

- o The highest priority must be given to existing participants. All new intake must be stopped before excluding existing participants from the program.
- o Fifty-five percent of GAIN expenditures must be for members of federal target groups.
- o Exempt and nonexempt individuals who volunteer to participate shall be given priority within the federal target populations and target populations selected by counties.
- o A county may not give lesser priority to any target population because of the estimated costs of supportive services to that group.
- o The county plan must include information on local demographic, economic, or other conditions that support the need for the selected priority method.

In order for counties to establish their service priorities and amend their county plans, counties should begin gathering the above information, which will be used to assess their ability to serve all registrants, including non-target group members. They should also consider changes in program services required by the new program flow, as described later in this letter, when determining their ability to serve their GAIN registrant population.

When planning their service priorities, counties should consider processes that will allow them to bring Non-GAIN Education and Training (NET) Program eligibles into GAIN. As a reminder, ACL Nos. 92-61 and 93-20, specify that services are only available to a recipient if GAIN is not available to the recipient, and the recipient and child(ren) meet NET eligibility requirements. The procedures that counties must utilize in determining whether the recipient can be enrolled in GAIN or NET, as well as procedures for transferring a NET participant to GAIN when GAIN becomes available, are specified in ACL 93-20, questions #41 through #52.

Program Flow Issues

As previously mentioned, the new program flow includes job club/job search as the first GAIN activity for most participants. If these participants do not get a job that qualifies them for an exemption or deferral following up-front job search, they will go to assessment. Based on these changes, we anticipate that counties will experience an increase in the number of participants to be served in these types of activities. Counties should review their current arrangements for job club/job search and assessment services and arrange for any additional services required as a result of the increased need.

Another allowable change in program flow is that counties may require concurrent participation. When attempting to arrange for concurrent participation, counties may experience scheduling difficulties due to the increased number of participants in these activities and a lack of available time slots to accommodate concurrent participation. Counties should work with their providers to increase the flexibility of their activity schedules to accommodate anticipated concurrent enrollment needs.

Data Collection Changes

AB 1371 requires the collection of certain outcome data, including the number of job placements, grant reductions, and terminations due to increased employment income, that will be used by counties to develop outcome goals for inclusion in their Fiscal Year (FY) 1996/97 county plans. The bill also requires counties to report new outcome data, including the number of licenses, certificates, and degrees obtained by participants, and the number of participants obtaining employment as a result thereof.

Counties should review their data collection and computer systems to insure that they can capture this information. Further instructions regarding these reporting requirements will be included in the AB 1371 implementation ACL.

In addition, AB 1371 requires the CDSS to develop, by June 30, 1996, performance objectives based on the following:

- o Recidivism
- o Job Retention,
- o Wage and benefit levels, and
- o Time base of job placements.

CDSS will seek participation from the County Welfare Directors Association in the development of these performance objectives and related data collection methods.

Staff Training

The successful implementation of AB 1371 will, to a large extent, depend on the effectiveness of the CWD's staff training efforts. Counties should begin planning for the staff training necessary to implement the legislation, particularly in the following areas:

- o New GAIN Participant Contract forms. These forms were developed through the GAC Forms Work Group in order to simplify and reduce the number of GAIN Participant Contract forms. In place of the 20 current activity agreements, counties will use a single form that is applicable to all GAIN activities. Staff will have to thoroughly know the new program flow in order to correctly use the new contract forms.

- o New GAIN supportive services Notices of Action (NOAs). Several supportive services NOAs have been eliminated by combining them with other NOAs that are similar in function.
- o New program flow requirements, including up-front job club/job search and mandatory concurrent enrollment.
- o New, expedited conciliation process for participants who do not respond to their good cause determination notice.

Grandfathering Issues

CDSS is currently in the process of determining which reforms will be subject to grandfathering provisions and how those provisions will be implemented.

In general, we anticipate that counties will be instructed to initially apply the new requirements to new participants. Most current participants would be affected after their existing GAIN Participant Contracts expire, in order to avoid disrupting their progress toward employment. However, in some specific instances, reforms may also initially be applied to current participants or deferred registrants. Specific instructions regarding the final grandfathering provisions will be forthcoming in the AB 1371 implementation ACL.

Forms/NOAs

There will be several changes in program forms and NOAs resulting from implementation of AB 1371. As previously mentioned, the GAIN Participant Contract forms (including the GAIN Guidebook) and supportive services NOAs have been revised. Also, a new NOA for participants who do not respond to their good cause determination notice will be developed. There will also be a number of existing forms that will be modified due to AB 1371 requirements.

Most of the new and revised forms and NOAs will be disseminated to the counties via the AB 1371 implementation ACL. There may be additional modifications to some forms and NOAs following approval of the necessary federal waivers. In addition to anticipating that GAIN staff will need to be trained on the use of these new forms and NOAs, counties may want to review their computer systems to see if any changes will be necessary to accommodate the new and revised forms and NOAs.

Counties in Demonstration Projects

Although AB 1371 does not mandate any county demonstration projects, counties that are participating or plan to participate in demonstration projects should include, in their county GAIN plans, a summary of the changes to the GAIN Program that are or will be caused by the project(s).

County GAIN Plans - Update Deadlines

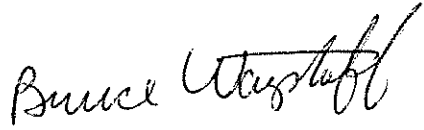
Because of the changes resulting from implementation of AB 1371, which were summarized in this letter, counties should begin reviewing their GAIN plans to determine those areas that will be affected by GAIN reforms. To allow counties time to incorporate AB 1371 changes, the 1995/96 annual GAIN plan update deadline has been postponed until January 1, 1996. In future years, we are considering setting the plan update deadline at one month following the passage of the state budget.

Implementation Input From Counties

We are requesting input from the counties regarding issues, questions and proposed solutions that they identify while planning their implementation of the legislation. An input form has been attached for this purpose, and counties should mail or fax it to the Employment Policy Section as instructed on the form.

We hope that this letter has been helpful to you in beginning to plan for your implementation of AB 1371. Through expeditious implementation of the reforms resulting from the legislation, counties will maximize the employment focus and cost-effectiveness of their GAIN Programs.

If you have any questions about this letter, please contact your GAIN Operations Analyst at (916) 657-3403.


BRUCE WAGSTAFF
Acting Deputy Director
Welfare Programs Division

AB 1371 IMPLEMENTATION INPUT

COUNTY _____ DATE _____

CONTACT PERSON _____ PHONE NUMBER _____

Please list any issues and questions in the space below related to the implementation of AB 1371. If possible, please include your proposed solutions to the issues and questions that you raise. Return your completed form to:

California Department of Social Services
Employment Policy Section
744 P Street, Room 640
MS 6-138
Sacramento, CA 95825
FAX (916) 654-1516

You may attach additional pages if necessary.

MAJOR PROVISIONS OF AB 1371 (WEGGELAND)
GAIN REFORM

EMPLOYMENT--RELATED

- * Modifies the 15 hour per week employment deferral.
 - o Defers GAIN registrants when they are employed at minimum wage for at least 15 hours per week and in job search, education, or training for a combined total of 30 hours per week.
 - o Defines education hours as a minimum of six course units or the provider's standard for half-time student and requires students to make satisfactory progress as a condition of deferral.
- * Modifies the employment exemption and deferral to require minimum wage.
- * Mandates upfront job search (JS) for most GAIN participants.
 - o May extend JS to eight weeks, if agreed to by participant.
 - o Those who have been employed in at least two jobs in the last two years, but are back in GAIN, would bypass upfront JS and go on to assessment.
 - o An individual who lacks a high school diploma, has had two or more jobs in the last two years, and who wants to go to basic education, would bypass upfront job search and go on to assessment.
- * Requires individuals deferred due to education to be in a program that will lead to employment, and provides a process for an individual to dispute the county's determination that the education program will not lead to employment.
- * Provides a six-month extension for participants in educational or vocational training assignments when the assignment cannot be completed within the two-year limit due to employment.

PROGRAM FLOW

- * Removes rigid mandated sequence of services.
 - o Provides assessment after completion of job club/job search.
- * Mandates concurrent enrollment.
 - o Parents with children under age six would be required to participate up to 32 hours; parents with older children would be required to participate up to 40 hours.

COUNTY FLEXIBILITY

- * Allows counties the option to:
 - o Serve non-target group AFDC recipients.
 - o Requires that fifty-five percent of the GAIN funds be expended on federal target group populations.
 - o Current participants and volunteers continue to have highest priority for services.
 - o Defer drug or alcohol dependent individuals only if they are actively receiving or seeking substance abuse treatment.
 - o A person would be deferred if: on a waiting list for a treatment program; the necessary child care services are not available; or there is no program appropriate to meet the individuals's needs.
 - o Provide post-employment case management and supportive services for up to the first 90 days of employment.
 - o Pay for PREP site supervision.

PERFORMANCE OUTCOMES

- * Requires counties to meet annual performance objectives.
 - o Requires employment placement measurements in the first fiscal year after the bill becomes effective.
 - o Requires CDSS to develop performance objectives, including qualitative measures, by June 30, 1996.

STRICTER PROCESS/PENALTIES FOR NONCOMPLIANCE

- * Expedites the conciliation process for nonresponsive, non-compliant participants.
- * Defines completion of conciliation plan as three months' participation, or completion of an assignment, whichever is less.

OTHER PROPOSED CHANGES TO AB 1371

- * Establishes a reappraisal process to determine when participants have received the services needed to meet their employment goal.
 - o Limits these "one-time through" participants to work experience and job search activities.
- * Requires CWD agreement on service delivery for GAIN education funds.

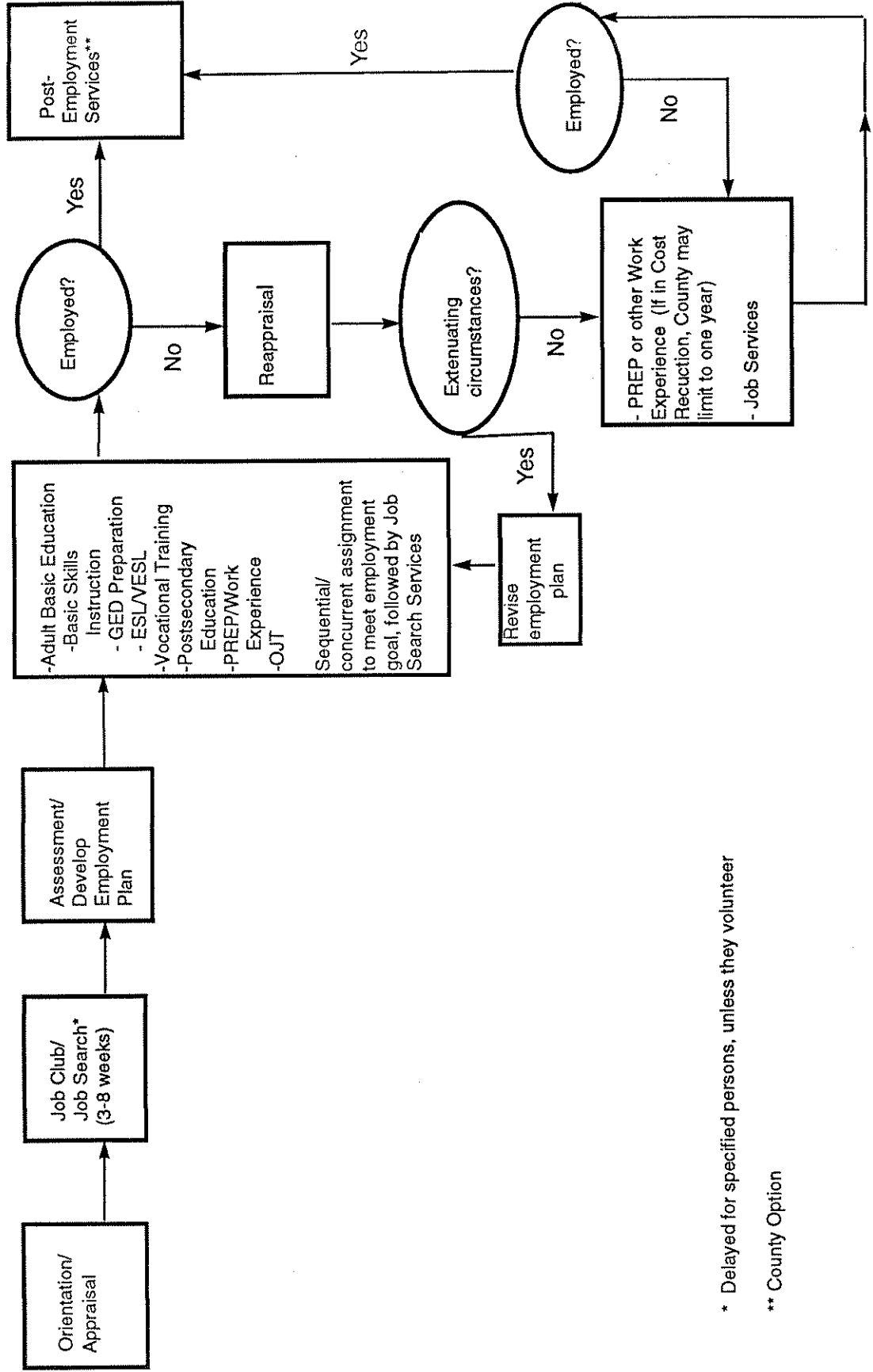
GAIN ADVISORY COUNCIL RECOMMENDATIONS

IMPLEMENTATION REQUIREMENTS

<u>Recommendation</u>	<u>Amend</u> <u>State</u> <u>Plan</u>	<u>Federal</u> <u>Waiver</u>
1 Eliminate deferral for employment of 15 to 29 hours weekly; county option to defer registrants meeting certain criteria	X	
2 Require minimum wage earnings for 30-hour employment exemption	X	
3 County option to lower the exemption for care of a child to age one	NA	NA
4 County option to require drug treatment for registrants deferred for substance abuse	X	
5 Limit conciliation to ten calendar days for nonresponsive participants	X	
6 For each period of GAIN registration, allow only one conciliation for noncompliance without good cause	NA	NA
7 Require component completion to fulfill conciliation plan	X	
8 Deny food stamp/rent subsidy increases resulting from GAIN sanctions	NA	NA
9 Mandate upfront Job Club/Job Search	X	
10 Reduce and simplify client contract and NOA requirements	NA	NA
11 Allow counties to mandate concurrent participation	X	
12 Eliminate state target group priority for GAIN services	X	
13 Allow counties to expand post-employment support services	X	X
14 Establish a standard cost-benefit measurement, and gather data to track participant earnings	NA	NA

<u>Recommendation</u>	<u>Amend</u> <u>State</u> <u>Plan</u>	<u>Federal</u> <u>Waiver</u>
15 Option for a more flexible GAIN flow for counties meeting negotiated performance levels	X	
16 Establish job placement expectations	X	
17 Require education expenditure plan agreements	NA	NA
18 Change the federal definition of allowable work activities for enhanced funding	NA	NA
19 Expand use of nontraditional placements; allow internships with private employers and simplify use of OJT and grant diversion	X	
20 County option to pay for PREP site supervision	X	X
21 Expand use of EDD's Intensive Services Program	NA	NA
22 Eliminate confidentiality barriers between employment programs	NA	NA
23 Encourage employment program co-location and collaboration	NA	NA
24 Expand use of EDD SHARE system	NA	NA
25 Promote GAIN through statewide ad campaign	NA	NA
26 Require Job Club for AFDC applicants	NA	NA
27 County option to serve noncustodial parents	NA	NA

GAIN PROGRAM FLOW (AB 1371)



* Delayed for specified persons, unless they volunteer

** County Option